

## Charities Aid Foundation India

### Foreign Contributions Account

#### Balance Sheet as at March 31, 2023

PARTICULARS	Notes	As at March 31, 2023 (₹)	As at March 31, 2022 (₹)
<b>SOURCES OF FUNDS</b>			
Surplus Fund	1	12,75,77,259	11,01,07,239
Institutional Response and Development Fund (IRDF)	2	2,66,83,892	2,00,00,000
Unutilised Grants / Donations	3A	10,19,36,681	14,18,52,586
<b>TOTAL</b>		<b>25,61,97,832</b>	<b>27,19,59,825</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
a. Tangible Assets	4	1,07,66,603	1,18,89,284
b. Intangible Assets	4	14,37,463	14,37,463
c. Less : Accumulated Depreciation		(1,19,81,216)	(1,28,51,746)
		<b>2,22,850</b>	<b>4,75,001</b>
<b>Current Assets, Loans and Advances</b>			
Cash and Bank Balances	5	24,67,25,945	26,32,41,326
Loans and Advances	6	1,21,69,987	1,37,52,380
Total Current Assets		25,88,95,932	27,69,93,706
<b>Less: Current Liabilities and Provisions</b>	7	29,20,950	55,08,882
<b>Net Current Assets</b>		<b>25,59,74,982</b>	<b>27,14,84,824</b>
<b>TOTAL</b>		<b>25,61,97,832</b>	<b>27,19,59,825</b>
<b>Summary of significant accounting policies</b>	<b>10</b>		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Ray & Ray  
Chartered Accountants

Firm Registration Number: 3010874


  
(Samir Manocha)  
Partner

Membership Number: 091479



For and on behalf of Charities Aid Foundation India

  
Madhu Bala Nath  
Chairperson

  
Dr. Nivedita Narain  
Chief Executive Officer

Place: New Delhi

Date: 26/12/2023

## Charities Aid Foundation India

### Foreign Contributions Account Income and Expenditure Account For the year ended March 31, 2023

PARTICULARS	Notes	Year ended March 31, 2023 (₹)	Year ended March 31, 2022 (₹)
<b>INCOME</b>			
<b>Grants/Donations Received</b>			
Specific Purpose Grant	3A	6,50,00,332	21,36,88,034
Other Income	8	1,65,89,771	2,65,33,915
		<b>8,15,90,103</b>	<b>24,02,21,949</b>
<b>EXPENDITURE</b>			
<b>Grants/Donations Paid</b>			
Specific Purpose Grant Expenditure	3B	5,71,95,397	18,85,11,208
Depreciation and Amortisation	4	2,98,172	7,40,445
Other Expenses	9	66,26,513	8,24,630
		<b>6,41,20,082</b>	<b>19,00,76,283</b>
<b>Excess of Income over Expenditure for the year</b>		<b>1,74,70,021</b>	<b>5,01,45,666</b>
- Transfer to Surplus Fund		1,74,70,021	5,01,45,666

Summary of significant accounting policies 10

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Ray & Ray  
Chartered Accountants  
Firm Registration Number: 301072E

(Samir Manocha)  
Partner

Membership Number: 091279



Place: New Delhi  
Date: 26/12/2023

For and on behalf of Charities Aid Foundation India

*Madhu Bala Nath*  
Madhu Bala Nath  
Chairperson

*Dr. Nivedita Narain*  
Dr. Nivedita Narain  
Chief Executive Officer

**CHARITIES AID FOUNDATION INDIA**  
**FOREIGN CONTRIBUTIONS ACCOUNT**  
**RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2023**

Receipts	Amount ( ₹ )	Payments	Amount ( ₹ )
<b>Opening Cash, Bank Balances &amp; Advances</b>			
Cash-in-hand	1,33,913	<b>Grants / Donations Utilised</b>	
Balance in Saving Account with HDFC Bank	3,16,20,825	Appeals/Campaign	14,96,122
Balance in Saving Account with State Bank of India	96,52,879	CAF Affiliates	87,10,942
Fixed Deposits with HDFC Bank Ltd.	5,89,05,527	Grants from Companies	78,90,948
Fixed Deposits with Corporation Bank	1,67,60,643	Grant from Foundation	96,97,057
Fixed Deposits with HDFC Ltd.	11,55,81,111	International Grants	1,60,40,249
Fixed Deposits with State Bank of India	3,05,86,429		4,38,35,318
Advances	17,49,612		
Tax Deducted at Source	19,67,882	<b>Other Payments</b>	
	26,69,58,821	Bank Charges	8,131
<b>1st Receiptant</b>		EPFO Charges	19,956
Give Foundation HSBC- CSR	6,479	Staff Welfare	10,316
Benevity UK OGF Onlinegiving -WaveII	5,94,802	Payment to Sundry Creditors	25,87,932
Kantar Milap	1,30,214	Movement in Advances (net)	35,25,511
CAF -UK	98,88,387		61,51,846
Oak Foundation	16,00,734	<b>Closing Cash, Bank Balances &amp; Advances</b>	
BVLF	1,59,25,897	Cash-in-hand	1,64,043
Monde Par LA Give a Hand	14,66,891	Balance in Saving Account with HDFC Bank	2,31,71,889
Rolis Royce PLC	35,33,176	Balance in Saving Account with State Bank of India	1,00,17,790
University of East Anglia	2,22,834	Fixed Deposits with HDFC Bank	6,00,00,000
University of New England	7,40,176	Fixed Deposits with HDFC Ltd.	15,33,72,223
	3,41,09,590	Advances	52,75,123
<b>2nd Receiptant</b>		Tax Deducted at Source	20,66,241
<b>Fixed Deposit withdrawal HDFC Bank Limited</b>		Security Deposits	22,135
Interest on Saving Bank Account -HDFC	8,65,725		25,40,89,444
Interest on Saving Bank Account -SBI	1,97,410		
Interest on FDRS Account -HDFC	19,45,062		
	30,08,197		
<b>Total</b>	<b>30,40,76,608</b>	<b>Total</b>	<b>30,40,76,608</b>

For Ray & Ray  
Chartered Accountants

Firm Registration Number: 301072E

  
(Samir Manocha)  
Partner  
Membership Number: 91445



For and on behalf of Charities Aid Foundation India



Madhu Bala Nath  
Chairperson



Dr. Nivedita Narain  
Chief Executive Officer

Place: New Delhi  
Date: 26/12/2023

Charities Aid Foundation India

Foreign Contributions Account

Notes to Financial Statements for the year ended March 31, 2023

Note 1

Surplus Fund

Opening Balance

Add: Excess of income over expenditure for the year

As at March 31, 2023 (₹)	As at March 31, 2022 (₹)
11,01,07,238	5,99,61,572
1,74,70,021	5,01,45,666
<b>12,75,77,259</b>	<b>11,01,07,238</b>

Note 2

Institutional Response and Development Fund (IRDF)

Opening Balance

Add: Appropriations during the year.

Less: Utilisation during the year

As at March 31, 2023 (₹)	As at March 31, 2022 (₹)
2,00,00,000	2,00,00,000
74,13,132	
(7,29,240)	-
<b>2,66,83,892</b>	<b>2,00,00,000</b>



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## Charities Aid Foundation India

### Foreign Contributions Account

Notes to Financial Statements for the year ended March 31, 2023

#### Note 3 A

#### Unutilised Grants / Donations

	All amounts in (₹)					
	As at March 31, 2022 (₹)	Contributions (₹)	Transfer to Income and Expenditure Account (Income)(₹)	Appropriations/ Adjustments (₹)	As at March 31, 2023 (₹)	As at March 31, 2022
<b>GRANTS</b>						
CAF AFFILIATES	4,52,80,898	98,88,387	2,14,04,210	6,68,699	3,30,96,376	4,52,80,898
Grants from Companies	1,12,32,518	16,00,734	89,75,891	23,34,145	15,23,216	1,12,32,518
Employee Giving/GAYE Program	1,70,991	-	1,35,000	-	35,991	1,70,991
APPEAL/Campaign	5,15,80,721	7,31,406	88,69,950	53,60,418	3,80,81,759	5,15,80,721
INTERNATIONAL GRANTS	3,28,49,511	2,18,89,063	2,55,41,486	(2,251)	2,91,99,339	3,28,49,511
Grant for Designated Project	7,37,948	-	73,795	6,64,153	-	7,37,948
<b>Total</b>	<b>14,18,52,587</b>	<b>3,41,09,590</b>	<b>6,50,00,332</b>	<b>90,25,164</b>	<b>10,19,36,681</b>	<b>14,18,52,587</b>
<b>Previous Year</b>	<b>18,04,61,423</b>	<b>17,50,79,198</b>	<b>21,36,88,035</b>	<b>-</b>	<b>14,18,52,586</b>	<b>18,04,61,423</b>

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## Charities Aid Foundation India

### Foreign Contributions Account

Notes to Financial Statements for the year ended March 31, 2023

#### Note 3 B

#### Expenditure

#### Foreign Contribution Account

#### GRANTS

Disbursal out of :

International Grant

Grants from Companies

Employees Matched Giving GAYE Program

Appeals/Campaign

International Grant

Direct Implementation Project Exp

#### Total

	All amounts in (₹)	
	Transferred to Income and Expenditure Account (Expenses)	
	Year ended 31.03.23	Year ended 31.03.22
International Grant	2,05,54,751	-
Grants from Companies	84,00,642	6,49,78,568
Employees Matched Giving GAYE Program	-	11,10,531
Appeals/Campaign	17,76,194	10,20,21,032
International Grant	2,04,89,131	2,04,01,077
Direct Implementation Project Exp	59,74,679	
<b>Total</b>	<b>5,71,95,397</b>	<b>18,85,11,208</b>

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**Charities Aid Foundation India**  
Foreign Contributions Account  
Notes to Financial Statements for the year ended March 31, 2023

**Note 4**

**Fixed Assets**

PARTICULARS	Gross Block				Depreciation / Amortisation For the year	As at April 1, 2022	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
	As at April 1, 2022	Additions	Deletions / Adjustments	As at March 31, 2023					
<b>A. Tangible Assets</b>									
<b>Fixed Assets acquired out of specific purpose grants</b>									
Equipments	7,31,674	-	-	7,31,674	-	7,31,674	-	-	-
Computers	9,70,325	46,020	-	10,16,345	4,454	9,70,325	-	41,566	-
Furniture & Fixtures	8,29,519	-	-	8,29,519	-	8,29,519	-	-	-
<b>Total</b>	<b>25,31,518</b>	<b>46,020</b>	<b>-</b>	<b>25,77,538</b>	<b>4,454</b>	<b>25,31,518</b>	<b>25,35,972</b>	<b>41,566</b>	<b>-</b>
<b>Fixed Assets acquired out of Surplus Fund</b>									
Equipments	22,13,241	-	-	22,13,241	1,98,394	20,14,847	-	-	1,98,394
Leasehold improvement	22,98,345	-	-	22,98,345	-	22,98,345	-	-	-
Computers	32,04,934	-	11,68,701	20,36,233	45,764	31,59,170	11,68,701	20,36,233	45,764
Furniture & Fixtures	16,41,246	-	-	16,41,246	-	16,41,246	-	-	-
<b>Total</b>	<b>93,57,766</b>	<b>-</b>	<b>11,68,701</b>	<b>81,89,065</b>	<b>2,44,158</b>	<b>91,13,608</b>	<b>11,68,701</b>	<b>81,89,065</b>	<b>2,44,158</b>
<b>Total - A Tangible Assets</b>	<b>1,18,89,284</b>	<b>46,020</b>	<b>11,68,701</b>	<b>1,07,66,603</b>	<b>2,48,612</b>	<b>1,16,45,126</b>	<b>1,07,25,037</b>	<b>41,566</b>	<b>2,44,158</b>
<b>B. Intangible Assets</b>									
Website	2,35,861	-	-	2,35,861	-	2,35,861	-	-	-
Tally Customization	7,16,740	-	-	7,16,740	-	7,16,740	-	-	-
DMS Hive Customization	1,54,462	-	-	1,54,462	-	1,54,462	-	(0)	(0)
Geo Tagging	3,30,400	-	-	3,30,400	49,560	99,557	1,49,117	1,81,283	2,30,843
<b>Total - B Intangible Assets</b>	<b>14,37,463</b>	<b>-</b>	<b>-</b>	<b>14,37,463</b>	<b>49,560</b>	<b>12,06,620</b>	<b>12,56,180</b>	<b>1,81,283</b>	<b>2,30,843</b>
<b>Grand Total (A+B)</b>	<b>1,33,26,747</b>	<b>46,020</b>	<b>11,68,701</b>	<b>1,22,04,066</b>	<b>2,98,172</b>	<b>1,28,51,746</b>	<b>1,19,81,216</b>	<b>2,22,849</b>	<b>4,75,001</b>
<b>B. Other Account</b>									
Equipments	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B)</b>	<b>1,33,26,747</b>	<b>46,020</b>	<b>11,68,701</b>	<b>1,22,04,066</b>	<b>2,98,172</b>	<b>1,28,51,746</b>	<b>1,19,81,216</b>	<b>2,22,849</b>	<b>4,75,001</b>
Previous Year	1,33,13,877	-	7,130	1,33,26,747	7,40,445	1,21,11,301	1,28,51,746	4,75,001	12,22,577



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**Charities Aid Foundation India**  
Foreign Contributions Account  
Notes to Financial Statements for the year ended March 31, 2023

<b>Note 5</b>	<u>As at March 31, 2023</u> (₹)	<u>As at March 31, 2022</u> (₹)
<b>Cash and Bank balances</b>		
Cash in hand	1,64,043	1,33,913
Balances with scheduled banks		
- Saving account	3,31,89,679	4,12,73,703
- Fixed deposits	21,33,72,223	22,18,33,710
	<u>24,67,25,945</u>	<u>26,32,41,326</u>
<b>Note 6</b>	<u>As at March 31, 2023</u> (₹)	<u>As at March 31, 2022</u> (₹)
<b>Loans and Advances</b>		
Advances recoverable in cash or kind	52,75,123	61,78,155
Interest accrued but not due on fixed deposits	48,06,488	66,41,766
TDS recoverable	20,66,241	8,61,735
Security deposits	22,135	12,135
Prepaid expenses	-	58,589
	<u>1,21,69,987</u>	<u>1,37,52,380</u>

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**Charities Aid Foundation India**  
**Foreign Contributions Account**  
**Notes to Financial Statements for the year ended March 31, 2023**

<b>Note 7</b>	<u>As at</u> <u>March 31, 2023</u>	<u>As at</u> <u>March 31, 2022</u>
	(₹)	(₹)
<b>Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry creditors and payables	5,63,979	18,94,076
Statutory liabilities payable	<u>16,87,883</u>	<u>3,24,072</u>
<b>Provisions</b>	<u>22,51,862</u>	<u>22,18,148</u>
Provision for compensated leave absences	<u>6,69,088</u>	<u>32,90,734</u>
	<u>6,69,088</u>	<u>32,90,734</u>
	<u><u>29,20,950</u></u>	<u><u>55,08,882</u></u>

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Madhu Kala Nath

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**Charities Aid Foundation India**  
**Foreign Contributions Account**  
**Notes to Financial Statements for the year ended March 31, 2023**

<b>Note 8</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
	(₹)	(₹)
<b>Other Income</b>		
Interest on fixed deposits and saving accounts	1,49,20,273	2,65,50,835
Miscellaneous Income	16,38,868	(16,920)
Profit on sale of assets	30,630	
	<u>1,65,89,771</u>	<u>2,65,33,915</u>
<b>Note 9</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
	(₹)	(₹)
<b>Other expenses</b>		
Human Resource Expenses	24,41,319	25,337
Premises Expenses	13,04,600	97,921
Social Media Expenses	2,19,447	-
Legal and professional charges	9,18,431	46,581
Travel & local Conveyance	1,02,306	1,15,624
Admin Expenses	16,40,410	5,39,167
	<u>66,26,513</u>	<u>8,24,630</u>

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**NOTE - 10: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS**

**1. Background**

Charities Aid Foundation (CAF) India is a not-for-profit organization registered as Trust established in New Delhi, India in 1998 nurturing the culture of giving with impact. The imbibing of this culture emboldens our approach of creating a positive change in the community by reaching to the last mile person. For more than two decades now, CAF is providing strategic advisory and management support to corporates, foundations and individuals to ensure optimal impact on philanthropic investments by working closely with national, local and hyperlocal NGOs, building strong alliances & capacities and linking with relevant local governments and agencies.

CAF India has worked across multiple themes in its 2-decade long journey in India. However, our major impetus is on education, health, sanitation, environment and livelihood. Gender being a cross-cutting issue, a clear gender lens is imbibed in all our programmes.

**2. Significant accounting policies**

**2.1 Basis of accounting and preparation of financial statements**

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India ("Indian GAAP") and comply with the Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

**2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make judgements, estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reporting amounts of income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**2.3 Fixed Assets and depreciation**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for the intended use.

The cost of the fixed assets not ready for their intended use before balance sheet date is disclosed under capital work in progress.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Income and Expenditure Account when the asset is derecognized.

Depreciation on fixed assets has been provided on the straight line method at the following rates based on the management's estimate of the useful lives of the assets.

<b>Asset category</b>	<b>Depreciation rate Per annum (%)</b>
Office equipment	25.00
Computers	33.33
Furniture and fixtures	25.00
Intangible Assets	33.33

*Madhur Bedi* *Datt*

*Investment*



**Charities Aid Foundation India  
(Foreign Contribution Account)  
Notes to the Financial Statements for the year ended March 31, 2023**

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Leasehold improvements are amortised on straight line basis over shorter of the primary lease period or economic useful life of respective assets.

Assets individually costing less than or equal to ₹ 5,000 are fully depreciated within a year of purchase. Depreciation on fixed assets purchased out of specific grants is debited to the capital assets fund through the Income and Expenditure Account.

#### **2.4 Intangible assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Trust uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Trust amortizes the intangible asset over the best estimate of its useful life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income and expenditure account when the asset is derecognized.

#### **2.5 Accounting for Grants / Donations:**

Grants / Donations received for specific purposes pursuant to agreements entered into with donors are considered as liability (Unutilised grants) in the financial statements until these funds have been utilised. Funds are treated as utilised on the disbursal of funds as per agreed terms.

Income in respect of specific purpose grants is recognised to the extent the amount has been utilised for the intended purpose. The unspent balance of the grant is carried forward as unutilised grants / donations in the balance sheet under sources of fund.

The trust retains a certain portion of the funds raised to meet project planning and monitoring costs which is recognised as part of income at the time of utilisation of funds for the intended purpose.

CAF implementation and support cost recovered from the Donor includes common cost incurred by the Trust which cannot be directly allocated to specific project. The Trust spends these costs, from grant received, to implement the activities identified for charitable purpose without any commercial intent.

#### **2.6 Interest income:**

Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Income and Expenditure Account.



*Madhu Bala Datt*

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**Charities Aid Foundation India**  
**(Foreign Contribution Account)**  
**Notes to the Financial Statements for the year ended March 31, 2023**

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**2.7 Foreign currency transactions:**

**i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii. Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

**iii. Exchange differences**

Exchange difference arising on the settlement or on re-statement of the monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or expense in the year in which they arise.

**2.8 Employee benefits:**

**i. Employment benefit plans**

**a. Defined Contribution Plan**

The Trust's contribution to the employees' provident fund is a defined contribution plan and is charged as expense to the Income and Expenditure Account during the period in which the employee renders the related services. The Trust has no obligation, other than the contribution payable to the provident fund. The provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 became applicable to the Trust w.e.f. 1 April 2011, upon voluntary registration with the Employees Provident Fund Organization.

**b. Defined Benefit Plan**

The plan assets include a group policy with Life Insurance Corporation of India ("LIC").

**c. Compensated absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The trust measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The trust treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Income & Expenditure and are not deferred. The trust presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**2.9 Leases:**

**Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the Income and Expenditure Account on a straight-line basis over the lease term.



*Pradip Kishore Datta*

*Investment Manager*

**2.10 Provisions and contingencies:**

Provisions are recognised when the Trust has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Trust or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Trust does not recognize a contingent liability but discloses its existence in the financial statements, unless the possibilities of an outflow of resources embodying economic benefit is remote.

**2.11 Impairment of assets:**

Management at each reporting date assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment in an asset occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the assets net sales price or present value as determined above.

**3. Notes to Accounts**

**3.1 Income Tax:**

The Trust is exempt from income tax under Section 12AA of the Income Tax Act, 1961. Donations received by the Trust qualify for deduction under Section 80G of the Income Tax Act, 1961 in terms of approvals received vide Order No. DIT(E) 2009-2010/C-536/408 dated 29/05/2009 read together with Letter No. DIT(E) 2012-2013/1064 dated 30/08/2012. The Government of India has amended the section 35 AC through Finance Act 2016 wherein it was declared that no deduction shall be allowed in respect of any assessment year commencing on or after April 01, 2018.

**3.2 Defined contribution plan:**

The Trust makes contribution towards employees' provident fund and under the rules of the scheme; the Trust is required to contribute a specified percentage of payroll costs.

**3.3 Gratuity and Leave encashment**

Total number of employees of the Trust is less than 50 during the year. The Trust has an arrangement with the LIC of India which manages the fund for gratuity liability of the trust and contribution made as per demand by the LIC of India is recognised as expenditure during the year. For leave encashment, the liability has been provided for as per management estimate.

**3.4 Leases**

The Trust has taken office premises on operating lease and has recognised rent of ₹ 13,04,600 (March 31, 2022: ₹ 97,921) in the Income and Expenditure Account during the year.

**3.5** The registration of the trust under the Foreign Contribution (Regulation) Act, 2010 has been renewed vide letter dated 21.9.2023 received from the Ministry of Home Affairs, Foreigners Division (FCRA Wing), Government of India and this renewed certificate (Registration No. 231660165) is valid for a period of five years with effect from 01-10-2023.



*Madhu Kala Datta*

*[Signature]*

**Charities Aid Foundation India  
(Foreign Contribution Account)**  
**Notes to the Financial Statements for the year ended March 31, 2023**

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- 3.6 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Trust will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

As per our report of even date

**For Ray & Ray  
Chartered Accountants  
Firm Registration Number:301072E**



**(Samir Manocha)  
Partner**

Membership Number: 091479  
Place: New Delhi  
Date: 26/12/2023



**For and on behalf of  
Charities Aid Foundation India**



**Madhu Bala Nath  
Chairperson**



**Dr. Nivedita Narain  
Chief Executive Officer**